

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3157

ANSWERED ON:08.12.2000

FOREIGN DEBT

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Will the Minister of FINANCE be pleased to state:

(a) whether 30% of the foreign loan amount taken during the current year is likely to go towards the payment of interest on this loan;

(a) if so, the details thereof; and

(b) the steps taken by the Government to reduce the interest burden on the loan?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a)&(b): The Receipt Budget 2000-2001 assumes the gross external loan receipts at Rs.9129 crores in the BE 2000-2001. The provision made towards interest payment on external loans in BE 2000-2001 is Rs. 4357 crores, which works out to 47.73% of the gross receipts.

(c): Interest payment to external agencies is as per the terms and conditions of the loan agreements signed with various donors and the interest payable in a year is on the total debt outstanding from time to time.